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ROUTINE

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CFR REPORT, INFORM CONSULS, CINC/SHAPE FOR POLADS ONLY

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6. NEA - AFGHAN GOVERNMENT FACES INCREASING DIFFICULTIES  
(CONFIDENTIAL)

RECENT REPORTING INDICATES THAT THE AFGHAN GOVERNMENT (DRA) IS FACING INCREASING PROBLEMS AS IT SEEKS TO CONSOLIDATE ITS HOLD ON THE COUNTRYSIDE. TRADITIONAL TRIBAL RESISTANCE TO CENTRAL GOVERNMENT AUTHORITY, RELIGIOUS CONCERNS AND IDEOLOGICAL DIFFERENCES HAVE LED TO ARMED OPPOSITION. ORIGINALLY CONFINED TO TRIBAL AREAS IN EASTERN AFGHANISTAN BUT NOW APPARENTLY SPREADING TO OTHER AREAS OF THE COUNTRY. IN ADDITION, THERE ARE SIGNS OF DECLINING MORALE AND INCREASING CASUALTIES AMONG THE MILITARY AND INDICATIONS OF TENSIONS WITHIN THE RULING PEOPLE'S DEMOCRATIC PARTY.

AT THE SAME TIME, SEVERAL OPPOSITION GROUPS HAVE ESTABLISHED THEMSELVES IN PAKISTAN AND ARE ATTEMPTING TO GENERATE INTERNATIONAL PUBLICITY AND FOREIGN SUPPORT. SO FAR, PAKISTAN APPEARS TO BE AVOIDING ANY SUBSTANTIAL SUPPORT TO THESE COMPETING GROUPS. TIES BETWEEN THESE GROUPS AND RESISTANCE ACTIVITIES IN AFGHANISTAN ARE UNCLEAR.

THE DRA IS ALSO CONFRONTING THE SPECTRE OF A SERIOUS SHORT-FALL IN WHEAT PRODUCTION DUE TO INADEQUATE WINTER PRECIPITATION AND UNCERTAINTIES RESULTING FROM THE REGIME'S EXTENSIVE LAND AND CREDIT REFORM PROGRAMS. EFFORTS ARE UNDERWAY TO IMPORT AS MUCH AS 800,000 TONS OF ADDITIONAL FOODGRAINS BUT DELIVERY AND DISTRIBUTION WILL IN ANY CASE BE A DIFFICULT TASK FOR THE DRA. A POOR HARVEST COUPLED WITH POSSIBLE ECONOMIC DISLOCATION RESULTING FROM OTHER DRA ECONOMIC POLICIES WOULD ADVERSELY AFFECT THE LIMITED SUPPORT THE REGIME ENJOYS AMONG THE GENERAL POPULATION AND IN INFLUENTIAL GROUPS SUCH AS THE MILITARY AND THE BUREAUCRACY.

AFGHAN-US RELATIONS ARE AT A LOW POINT FOLLOWING THE KIDNAPPING AND KILLING OF AMBASSADOR DUBS ON FEBRUARY 24. ON FEBRUARY 22, WE ANNOUNCED A SEVERE REDUCTION IN OUR ECONOMIC ASSISTANCE PROGRAM FOR FY-79 AND FY-80 AND THE TERMINATION OF THE SMALL IMET PROGRAM WHICH HAD BEEN PLANNED. THE DRA HAD SHOWN LITTLE INTEREST IN THE LATTER PROGRAM, OR IN THE PEACE CORPS, WHICH IS IN THE PROCESS OF TRANSFERRING VOLUNTEERS FROM AFGHANISTAN TO OTHER COUNTRIES. THE DRA HAS SHOWN LITTLE REACTION SO FAR TO THESE DECISIONS WHICH WERE TAKEN AS A RESULT OF AN ONGOING REVIEW OF OUR RELATIONS WITH AFGHANISTAN AND THE POLICIES OF THE DRA. IT REMAINS TO BE SEEN WHETHER A BASIS WILL EXIST FOR COOPERATION IN SOME FIELDS SUCH AS HUMANITARIAN AID AND NARCOTICS CONTROL.